

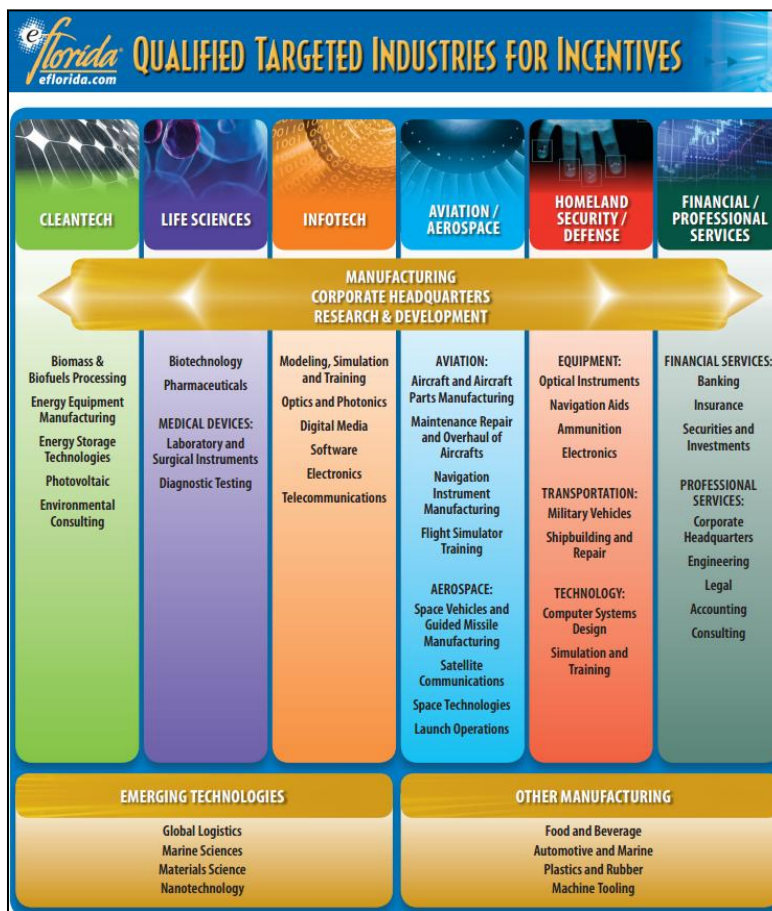
STATE OF FLORIDA QUALIFIED TARGET INDISTRY TAX REFUND PROGRAM DESCRIPTION & OVERVIEW

The State of Florida’s Qualified Target Industry Tax Refund Program (QTI) is designed to facilitate the attraction of high-value, export industry jobs that generate new wealth and create jobs. The program seeks to diversify Florida’s economy by targeting certain industry clusters of strategic importance to the state’s economic diversity.

Qualified Target Industry Tax Refund Program

The Qualified Target Industry Tax Refund (QTI) program was created by the Legislature in 1994 to encourage the recruitment or creation of higher-paying, higher-skilled jobs in the state by awarding eligible businesses tax refunds in exchange for creating jobs in certain target industries. The refund award level is based on wages paid, number of jobs created, and the location in the state that the business chooses to locate or expand. The QTI program is set to expire on June 30, 2020, under current law.

In order to qualify for the program, an applicant business must fall into one of Florida’s target industry categories, which are developed by DEO and Enterprise Florida, Inc. (EFI). A diagram of targeted industries is below:



Additionally, a business must:

- Agree to create 10 new jobs or, if a Florida business planning to expand its operations, agree to create a net increase in employment of at least 10 percent. DEO may grant a waiver to an existing business located in an enterprise zone or rural county.
- Agree to pay employees an annual average salary that is at least 115 percent of the average private sector wage in the area or of the statewide private sector average wage. DEO may waive the wage requirement for businesses that locate in a rural county or city, in an enterprise zone, or in a brownfield area or for manufacturing project.
- Receive a commitment of a 20 percent local match. The form of the commitment must be included in a resolution passed by the county commission of the county where the project will be located.

The QTI program offers a tax refund of \$3,000 per created job. The per-job tax refund increases to \$6,000 if the business is located within a rural county or an enterprise zone. The program allows for additional tax refunds beyond the standard awards:

- \$1,000 per job if the business pays an average annual wage of at least 150 percent of the average private sector wage in the area the project is located;
- \$2,000 per job if the business pays an average annual wage of at least 200 percent of the average private sector wage in the area the project is located;
- \$1,000 per job if the local financial support is equal to that of the state's incentive award; and
- \$2,000 per job if the business falls within one of the high-impact sectors designated under s. 288.108, F.S., or increases exports of its goods through a seaport or airport in the state by at least 10 percent in value or tonnage in each of the years that the business receives a tax refund.

QTI businesses may not receive more than \$1.5 million in refunds in a single fiscal year, or more than \$2.5 million if the project is located in an enterprise zone.

QTI businesses may claim refunds from one or more of the following taxes paid:

- Sales and use tax;
- Documentary stamp tax;
- Ad valorem taxes;
- Corporate income taxes;
- Insurance premium taxes;
- Intangible personal property taxes; and
- Certain state communications services taxes under ch. 202, F.S.

Local Matching Program Requirements

- The BCC approves a 20% local match of the total QTI award.
- The BCC must approve the type of funding through passage of a resolution of support.

Program Name	Qualified Target Industry (QTI) Participation
	QTI Local Match
Type	Refund
Award Made to Whom	Qualified Target Industry Employers approved by State
Wage Requirement	115% of the average private sector wage in the area or of the statewide private sector average wage. Wage requirements can be waived in brownfields and enterprise zones.
Number of Jobs Required	10 jobs, or agree to increase new employment by 10% if existing business.
Capital Investment Requirement	No
Expandable for Later Year Jobs	No
Available to Existing Industry	Yes
Available to New Industry	Yes
Available for Retention	No
Amount of Award	<p>\$3,000 per-job base. Award increases to \$6,000 for jobs located in enterprise zones. Bonus awards include:</p> <ul style="list-style-type: none"> • \$1,000/job if the business pays an average annual wage of at least 150% of the average private sector wage in the area the project is located; • \$2,000/job if the business pays an average annual wage of at least 200% of the average private sector wage in the area the project is located; • \$1,000/job if the local financial support is equal to that of the state's incentive award; and • \$2,000/job if the business falls within one of the high-impact sectors designated under s. 288.108, F.S., or increases exports of its goods through a seaport or airport in the state by at least 10% in value or tonnage in each of the years that the business receives a tax refund.
Agreement	Required – State level
Payout Schedule	Paid in installments over four (4) years, based on job creation milestones.
Specified Use of Funds	None
Local Support Required	Yes - 20% match paid by the County.
"But For" Incentive	Yes – Managed by State

Eligible Industries/Business Activities	Industries defined as Qualified Targeted Industries by Enterprise Florida, Inc.
Ineligible Activity	N/A. Only QTI businesses are eligible.
Distressed Area Exception	Wage requirements may be waived for projects locating in enterprise zones or brownfields.